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Globalising the international mobility function: the role of emerging markets, flexibility and strategic delivery models

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This paper reports on a study of functional delivery strategies used in international mobility (IM) functions as they support the organisation in its pursuit of globalisation. This study is based on 47 interviews with International Mobility Directors across a variety of sectors. It examines how these managers use three strategies to manage local responsiveness (emerging market strategy as an industrial push force; flexibility strategy as an environmental demand or pull force; and strategic HR delivery model as an administrative heritage, organisational capability and infrastructure force) to enhance the ability of the IM function to perform globally as the organisation seeks to both co-ordinate (develop linkages between geographically dispersed units of a function) and control (regulate functional activities to align them with expectations) mobility activity across borders.

Keywords: emerging markets; flexibility; globalisation; HR delivery models; international mobility

Introduction

There has been an evolution of territory covered by the International Human Resource Management (IHRM) field and this has created an increasing requirement for IHRM academics to understand the many ways in which Multi-National Corporations (MNCs) operate effectively. Considerable attention has been given recently to the impact of institutions on international business and the way in which key IHRM activities are still embedded in a system of transactions between parties. Certainly, all aspects of MNC behaviour – choices about location, organisation of local subsidiaries, choices about technology, capital and labour, and investments and strategies – are subject to institutional variation (see for example Brewster, Wood and Brookes 2008; Henisz and Swaminathan 2008; Peng, Wang and Jiang 2008). However, as Edwards, Colling and Ferner (2007) argue, much of this research is overly deterministic. In recent years there has been considerable global economic uncertainty, and this can be expected to impact the need for and pursuit of functional realignment with regard to international mobility (IM).

It has been argued that the most proximate level of analysis by which to judge globalisation is to see if it has occurred at the level of the function, rather than the firm (Malbright 1995; Kim, Park and Prescott 2003; Sparrow, Brewster and Harris 2004). Kim et al. (2003, p. 327) define functional global integration as the ‘... coordination and control of individual business functions across borders’. They found that the dynamics of this functional integration were ‘highly critical’ in R&D, manufacturing, and marketing functions, seeing these functions as central to the global transfer and integration needed to achieve scale, scope

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and learning economies. However, each function had a different combination of effective integrating modes when they developed linkages between geographically dispersed units and regulated functional activities across borders.

The goals of this study are as follows: First, to examine the process of functional realignment within the IM function within a range of MNCs. Second, to examine this process of functional realignment through the study of three functional delivery strategies, each central to the management of IM policies and practices: emerging market strategy, flexibility strategy and strategic delivery model. Although considerable attention has been given to the experience of international assignments and the management of expatriates, research into the management of the IM function itself, arguably the HR function most intimately connected with the globalisation of the firm, has been sadly lacking (Farndale, Scullion and Sparrow 2010; Brewster, Sparrow, Vernon and Houldsworth 2011).

A host of people and units interact with expatriates, and in their management a range of necessary external relationships and interests become important, including home and host HR units or HR business partners, home and host line managers or business units, internal administrators and outsourced specialist service providers (Danielsen and Molnar 2007). Business units typically select employees, handle performance management and training, provide career direction, enforce disciplinary action and determine salary. Corporate HR functions develop, monitor, benchmark and conduct internal satisfaction surveys, implement change and address exceptions all with regard to policy. Expatriate administrators establish and approve policies and programs and obtain feedback as to whether they meet objectives. Vendors and specialist service providers have to adhere to contract terms and conditions. The expatriates themselves need to understand their new job duties and responsibilities, meet performance standards, and follow procedures before, during and at the conclusion of the assignment. The trend towards the regionalisation and localisation of businesses and IHRM practices (Law, Song, Wong and Chen 2009; also Edwards, Jalette and Tregaskis 2012), introduces yet other layers of complexity into the mix of relationships that the IM function has to manage.

Proposition development

A number of intra-organisational factors within the boundaries of the firm have to be managed as part of the globalisation process (see Björkman 2006; Björkman and Lervik 2007; Björkman, Barner-Rasmussen, Ehrnrooth and Mäkelä 2009; Mäkelä, Björkman and Ehrnrooth 2009). A key issue in their management is the need to balance the dual pressures of global integration and local responsiveness (Prahalad and Doz 1987). These competing forces have to be reflected and resolved in key IHRM practices (Evans, Pucik and Barsoux 2002; Rosenzweig 2006; Brewster et al. 2008). For Luo (2002, p. 190):

‘...Pressures for integration include environmental and industrial forces that necessitate worldwide business resource deployment and global integration of dispersed businesses across national boundaries’ whilst ‘...pressures for local responsiveness are environmental and industrial forces that necessitate local context-sensitive strategic decision-making and quick responses to each local market or industrial setting’. The balance at any one time is ‘... constrained by administrative heritage, that is, organisational capability and internal infrastructure’.

From a theoretical perspective, the study explores the role of three functional delivery strategies (or forms of delivery) within the IM function in MNCs that are now central to dealing with the current Global Integration–Local Responsiveness (GI–LR) challenge: emerging market strategy (the dominant industrial force necessitating local

responsiveness); flexibility strategy (the dominant environmental or demand force necessitating responsiveness); and the strategic HR delivery model (reflecting the dominant administrative heritage force that determines the capability and infrastructure to manage the first two forces). The first two propositions relate to fundamental strategies, whereas the final proposition relates to the structural support for achieving the other two strategies. Although these three functional delivery strategies are likely having a significant bearing on the management of IM, little is known about them.

Emerging market strategy

The first important functional delivery strategy concerns an industrial force that would be hypothesised to necessitate local context-sensitive strategic decision-making and quick responses to each local market or industrial setting, i.e. the treatment of growth in emerging markets. This is a push force, in that organisations voluntarily seek to pursue or not pursue these markets. For the World Bank, an emerging (or developing) market economy has a clear definition. It is an economy with low to middle per capita income, with gross national income of \$10,725 or less per capita. This includes 20% of the world's economies covering 80% of the world's population. Such economies are classified as emerging because recent economic reform programmes mean they have 'emerged' onto the global scene and reforms are usually associated with stronger economic growth.

The rise of emerging economies in the global economy has seen a parallel increase in attention paid to the complex and rapidly changing relationships between organisations, their environments and the strategic choices as the outcome of such an interaction (Peng and Heath 1996; Hitt, Dacin, Levitas, Arregle and Borza 2000; Meyer 2004; Ramamurti 2004; Peng et al. 2008). There are important differences in the extent to which organisations approach growth in emerging markets from a strategic perspective and their choices are driven by industry conditions and firm capabilities, and the constraints of the institutional framework that managers confront. As part of these institutional arrangements, global organisations have to develop global plans to address the shortages of human capital to help ensure their competitive position in emerging markets as these markets will represent a disproportionate level of future business growth and foreign direct investment (Harvey, Mayerhofer, Hartmann and Moeller 2010).

Reflecting this, the 2010 Global Mobility and Practices Survey of 100 MNCs by Cartus and the US National Foreign Trade Council (2010) found that MNCs are moving assignees to many more countries than they have in the past, among them new and challenging emerging market locations mentioned among the top three destinations growing from 51 to 61 from 2007 to 2010. Brookfield Global Relocation Services (2011) data show that when asked to identify the three countries that are emerging as new assignment locations, 7% of respondents rank China as the most common new destination, followed by Brazil (7%), India (5%) and Singapore (5%). With only one exception in the history of their report China has always been the most commonly cited emerging destination. However, China, India, Russia and Brazil also remain the most challenging locations in terms of assignment failure rates.

What this means is that there is both a new economic topography within MNCs, and a new mobility demography that flows from this. Tarique and Schuler (2008) observed that such environmental forces would likely have significant implications for researchers. They signal the need for a global frame in IHRM, rather than one based in dyadic relations between MNC HQ (embedded in country-of-origin effects) and subsidiaries (embedded in national institutional and cultural effects). Given that the GI–LR framework assumes that integration

and responsiveness are primarily determined by environmental forces (Luo 2002), and that movement across the continuum is affected by strategic capabilities, organisational infrastructures and strategic needs of local operations, the first proposition is as follows:

Research Proposition 1: An increased focus on an emerging market strategy acts as a destabilizing force in the balance between global integration and local responsiveness in IM policy and practice.

Flexibility strategy

The second important functional delivery strategy stems from an environmental force that would be hypothesised to necessitate demand context-sensitive strategic decision-making, and this concerns the management of flexibility in IM policy. This is a pull force, in that organisations are having to respond to demographic and generational issues they may or may not wish to engage with. As the demography of IM continues to diversify, we see increasing variety in the forms of international work, which as a consequence leads to growing importance of the role of the individual as a stakeholder in decisions about, and management of, mobility (Dickmann and Mills 2009; Howe-Walsh and Schyns 2010). The management of IM also has to foster the appropriate network ties between the expatriate and their host and home support networks (Farh, Bartol, Shapiro and Shin 2010). Understanding how the current economic context impacts the functional strategies surrounding IM is therefore an issue of central concern.

The 2010 Global Mobility and Practices Survey (Cartus and the US National Foreign Trade Council 2010) found that international assignments are moving towards different employee segments, such as young and single employees, with the under-30 group increasing from 19% to 29% since 2007 and single assignees increasing from 29% to 42%. This newer profile matches the emerging commuter/extended business travel policy types, which require less financial support. Due to the intense competition for scarce highly skilled senior staff, these employees are also able to be more selective in the assignments they choose to accept (Yeung, Warner and Rowley 2008). In the Brookfield Global Relocation Services (2011) survey, China, India and Russia continue to present the highest level of assignment failure and difficulty both for project managers and for expatriates.

The rapid economic growth among developing nations increases the need to accommodate idiosyncratic assignee objectives and motivations (Stroh, Black, Mendenhall and Gregersen 2005). Meyskens, Von Glinow, Werther and Clarke (2009, p. 1448) argue that '... While international talent grows in value, it is increasingly difficult to obtain, deploy and retain... even though global talent management trends have evolved in practice, IHRM theorising has not kept pace'. They suggest that 'inter- and even intra-firm variations, solutions to international talent needs cannot be uniform' and give attention to the variety of alternative forms of international work that such talent demands have led to.

Farndale, Scullion, et al. (2010) characterise this need to resource talent in more challenging markets as a demand factor. There is an increased requirement for skilled expatriates to help build emerging international markets, temporary and short-term access to specialised talent to assist the execution of overseas projects in these markets; and the need for highly mobile elites of management to perform boundary-spanning roles to help build social networks and facilitate the exchange of knowledge necessary to support globalisation.

In the context of its positioning on a GI–LR continuum, Hartman, Feisel and Schober (2010) found talent management to be managed as a form of global integration. Where there is pressure to align IM provision with the demands of the receiving unit, this would traditionally be seen as local responsiveness.

However, given there are problems in managing the individual willingness to be mobile, especially to emerging markets, and challenges in building the organisational capability needed to manage this talent, the second proposition is as follows:

Research Proposition 2: Pressure to align IM provision with the demands of both the receiving unit but also the demands of talented individuals, increases the need for more flexible and individualised management of IM policy.

Strategic delivery model

The third important functional delivery strategy, the choice of HR delivery model used to align HR operational functions with HR and business goals and objectives, ties IM into the broader HR strategy, but also reflects the potential constraint of administrative heritage. The choice of strategic delivery model should be seen as an organisational capability and internal infrastructure force that determines the organisation's ability to respond effectively to the dominant industrial force and environmental demand forces outlined above. A recent stream of research gives attention to the way that MNCs combine the necessary balance of co-ordination and control, integration of key service tiers and expert resources, and provision of access channels for delivery of service to end-users, into an over-arching 'HR service delivery model' (see Lawler, Boudreau and Mohrman 2006; Caldwell 2008; Ulrich, Brockbank, Johnson, Younger and Sandholtz 2008; Evans, Pucik and Björkman 2010; Hird and Stripe 2010; Sparrow, Hird, Hesketh and Cooper 2010).

The examination of the role of, and delivery models used by, the Corporate Human Resource (HR) function in MNCs has been neglected in the international HRM literature, although some work is now exploring key HR functions such as international recruitment, selection and assessment (Sparrow 2007), global talent management (Farndale, Scullion, et al. 2010), HR supply chain (Farndale, Paauwe and Boselie 2010) and the context-bound configurations of corporate HR functions (Farndale, Paauwe, Morris, et al. 2010).

Sparrow and Braun (2008) have drawn attention to the importance of understanding how the overall HR delivery (or operating) model is being used by the corporate HR function to impact the conduct of IHRM. In combination with other changes such as e-enablement, outsourcing and offshoring, changes in the delivery models may be used to move the focus of the IHRM function away from managing a global set of managers towards becoming a function that can operate a series of value-adding HRM processes within the business internationally. There are many internal structural choices concerning the delivery model that are open to IM functions.

One of the most pervasive impacts on the HR field has been the adoption of a 'three-box model' of HR, frequently linked to the ideas of Ulrich (1997). The first box represents the more transactional aspects of activity, which may be delivered from service centres or processing hubs, in multiple geographical locations, or outsourced to third party providers. The second box reflects an embedded HR business partner (HRBP) structure, raising questions about the most appropriate relationship and split of responsibilities between central IM specialists, and in-country or in-business division HR partners over specific aspects of the international assignment lifecycle. The third box describes more added value and specialist centres of excellence or functional support. Organisations often split HRM responsibilities in the area of IM between a global HRM department, country management and business stream leaders (Brewster, Sparrow and Harris 2005).

A Forum for Expatriate Management (2010) study of 120 MNCs found that whilst currently 40.8% of global mobility functions report into Compensation and benefits or

Rewards, 32.3% to the Vice President for HR, 7.1% to Talent Management and 7.1% to Resourcing, the preference is for much greater reporting to Talent Management (the preferred structural report for 16.3% of organisations) as well as direct to the VP of HR (preferred by 42.4%).

Guthridge and Komm (2008) cite two McKinsey Quarterly global surveys in 2006 and 2007 that show that more than half the respondents expect intensifying competition for talent, global in nature, to have a dominant impact on their organisation, yet the majority of line managers do not believe that HR functions have the capabilities, systems, structures or practices to effectively manage this. However, the delivery model adopted can have a profound impact by affording or denying the IM function entry into a range of HR issues associated with the successful globalisation of the IHRM function:

Research Proposition 3: There is a requirement to manage effectively the consequences of both the emerging market strategy and flexibility strategy by re-aligning the strategic delivery model adopted by MNCs.

Methodology

A qualitative design was used to enable the researcher to capture the complexity of the issues under investigation. Access was provided by a global service provider firm to IM functions to 36 MNCs (see Appendix). The organisations were all large employers with significant international operations and most are household names. They are all US and European in origin and their patterns of internationalisation can be expected to reflect this. There are 13 US MNCs, 9 British, 6 German, 4 Swiss MNCs and then 1 MNC each of French, Finnish, Danish and Dutch origin. The study tapped into a broad range of occupational and organisational contexts for IM, ranging from traditional and long internationalised industries to much more recently internationalised industries.

The sample covers: automobile manufacture (1); clothing and apparel (1); food retail (1); energy supply services (1); electronics and electrical engineering (1); postal services, logistics and distribution (2); international food and drink brands (2); telecommunications equipment and mobile phone services (2); through to knowledge and information driven work professions of global news provision (1); management accounting/professional services (1); e-commerce services and search engine design (2); software operating system and enterprise resource planning services (2); IT equipment manufacture (1); wealth management and investment (5); wholesale and retail banking (3); insurance services (2); diagnostic drug manufacture and distribution (6); and healthcare products (2). Two sectors were purposefully strongly represented: financial services (10 organisations) and pharmaceuticals (8 organisations) to allow for more detailed examination of the three functional delivery strategies in the same sector. A sub-analysis is therefore carried out to elicit some of the more detailed processes of globalisation within and across these two sectors.

Access was provided to the most senior IM professionals within each organisation. Example job titles were: Head of International Mobility, Head of Global Mobility, Director International Assignments, VP EMEA Expatriate Team, VP Global Staffing, Head of Expatriate Services, Manager Global People Mobility and Director of Global Relocation.

Data were collected as part of two interview panel studies carried out at two time points in January to March 2008 and then again in January to March 2009. Over the period of study the economic context changed markedly. The second round of interviews was carried out soon after the major banking failures, and therefore in a context of high economic uncertainty. Longitudinal data from Brookfield Global Relocation Services (2011) show that only by 2011 did respondents report the first increase in the international

assignee population since their 2006 report, but the increase (43%) remained lower than the historical average of 48%. In 2009, at the time of the second panel, the reported increase in the assignee population hit an all time low of 27%.

In total 47 policy-driven interviews were conducted over both interview panels, as some firms took part in both panels. In 11 organisations the IM Director was interviewed at both time points. Prior to the interviews the participating firms had taken part in a service provider survey of expatriate trends. The interview proforma examined the managerial and policy logics and internal HR contingencies used by the IM Directors, both at the time of study and how this had developed over the last few years prior to study. It focused on the processes being used at firm level to help globalise IM policy and factors responsible for the evolution of policy. The interviews resulted in 36 hours of taped material and each interview was transcribed verbatim. The data were coded into broad themes and extracts across the interviews that illustrated these themes were selected and agreed upon by three researchers. Both deductive and inductive methods were used in the analysis of the data. Prior to coding the data and based on a review of the literature, a potential list of themes that were expected to be found was constructed by the researcher. The first 20 transcripts were scrutinised in detail across three coders to inductively advance and agree the coding process, with remaining transcripts individually coded. Secondary documentation that identified sector strategy, the scale of global operations, and example mobility policies, were analysed.

Three data-sharpening workshops, each of 3 hours duration, were then conducted involving the interviewed IM Directors, at which the data analysis was rehearsed, the emerging themes presented, and the findings collectively analysed and interpreted.

Findings

The findings are now presented for each of the three functional delivery strategies of IM in MNCs.

Emerging market strategy

Responses from two sectors – pharmaceuticals and financial services – are used to lay out the nature of impact that growth in emerging markets has on the IM functional strategy.

In the pharmaceutical sector, all eight interviewees reported an overall increase in IM to and from emerging countries. However, each organisation had different motives for this pattern of mobility and was working to different business models. Their IM strategies were accordingly influenced by unique factors. The typical pharmaceutical sector business model involves three common elements of R&D, manufacturing and marketing. As the cost of drug development continues to grow, pharmaceutical organisations face significant regulatory, pricing and competitive threats. The cost of bringing drugs to market can be as much as \$800 million and can take up to 15 years. Competitors from emerging markets have become sophisticated in reverse engineering. Pharmaceutical organisations therefore seek opportunities for outsourcing of some business processes (such as analysis and testing) to these markets. Similarly blocks of business processes can be conducted independently (without requiring daily interaction with the drug company) and may be carried out through agents. A range of service capabilities such as analytics, testing, paperwork for dealing with regulatory agencies, market research, strategy, portfolio management and regulatory compliance strategy may be kept in-house or outsourced to emerging markets. As emerging markets come of age, the demand for high quality pharmaceutical products and diagnostic tools increases and there is growth in the number of clinical trials being performed in Latin

America, Eastern Europe and Asia. Whilst growth is expected to slow in the developed world, emerging markets are also an increasingly important driver for pharmaceutical sales. Pharmaceutical organisations had different exposure to these markets. Some of the sample was now seeing 30–35% of their total sales growth coming from emerging markets, whilst others had no significant presence as yet. An interviewee explains:

‘... It takes a lot of investment and time to move these investments. It is not an industry where you can up and move plants from one country to another. There are regulatory arrangements that can take from three to five years to get resolved. There is a lot of capital investment to move plants. There are no quick fixes’.

Each market may also be at different stages of development:

‘... Take India. I would say it is not in the same stage of development as China, but it is emerging as a market not only in terms of one that we will sell more to, but also as a centre of our resources (such as service operations delivered out to the world such as HR) but also product development or research’.

One pharmaceutical organisation had invested more than \$7.7 billion in R&D capabilities across its entire global business, operating a series of closely networked operations around each geography with access to the organisation’s engineering, formulation and materials expertise and healthcare knowledge. They were planning new R&D capabilities and productive pipelines in yet-to-be-created emerging markets. For others, weak patent protection remained an issue along with competition from powerful local manufacturers in markets such as China and India. An interviewee summed up the situation:

‘... We have made some moves in terms of how we organise R&D and our marketing operations, but these have mainly been in [developed economies] with a growing piece in China. By and large all of the centres of excellence or development are still in [developed economies] and we are still quite centralised in terms of how we do our R&D. It is our commercial functions that are now spread throughout the world. Though we have quite a lot of operations in developing markets, we still do a lot of our new product development in developed markets where there is more sophistication of skills at the moment’.

In three of the seven organisations interviewed, emerging markets are not yet really leading to any significant IM issues or challenges. Comments from these three were:

‘... Any increase or decrease in the IM function is not related to our functioning in emerging countries’ or ‘... I don’t see any massive expansion of assignments to developing countries. I think the cost is a factor here. The cost of employees in developing countries is much less and sending people for working there can be costly as compared to the cost at which the local talent can be resourced’.

Yet for four organisations exposure to emerging markets was now having an impact on IM:

‘... In China, we decided to increase our investment. India is emerging as a market but also more and more as a country from where we can find people who can be moved from India to other countries’.

There has then been a slow and variable shift of mobility towards emerging markets across the pharmaceuticals sector, but where present, this development has been significant for IM functions, and can be expected to soon impact those not yet affected. The following two quotes from pharmaceutical organisations that were globalising in this way evidence the impact on the IM function:

‘... The increase in our number of expatriates can be attributed to a shift in business model as the company is becoming more global. The fact that we are really focusing on emerging markets and regional centres for managing talent (using international assignees), where talent is scarce... there is a new business model emerging around the IM function’.

Similarly:

‘... emerging markets have changed things in the mobility world for our organisation. This is a dramatic change from our past. In the past, close to every one of our expatriates was of [headquarters nationality]. This has already fallen to 50 percent of expatriates... This is now a dramatic change in our mindset. We try to provide the same conditions and package to a person from India to Thailand, from the U.S. to Germany, from China to Brazil. This has really changed our policy world and our process world’.

In the financial services sector, for all 10 interviewees, an important driver of mobility into these markets was the need to help manage the in-country economic transition process and financial regimes. The development of mobility patterns into emerging markets was prevalent, but also closely inter-twined with the level of development of local institutions and regulatory controls. The latter stopped some financial service organisations from moving as fast as they would like into emerging markets. However, once obtaining approval, they would then rapidly move high levels of talent into the marketplace. A financial services interviewee explained:

‘... many markets have come of age, and now need local infrastructure. For example, in wealth management at one time all the money in the Asian market could be managed out of Europe or the US, because clients were international or could be served by sporadic client advisor support. To develop locations now, multiple products and trading infrastructure have to be developed, requiring a local presence. Processing hubs then have to shift nearer to these markets’.

The growth of efficiency-driven moves into emerging markets was changing the business model. A financial services interviewee explains:

‘... we used to have lots of small business service centres (back office support) all around the world. Redundancy in systems, staffing and real estate meant we had to migrate to larger hub centres... these massive centres bring together accounting, data and HR’.

This changes the services that can be offered from these hubs and the skill mix needed. The interviewee continues:

... Our front office has been able to create, train or hire staff, populate new entities doing transactional processing. This required some significant bedding down, cross-fertilisation of management structures... organic growth, an aggressive external hiring programme and sending in large numbers of expatriates’.

Many of the mobility moves required assignees to be able to operate overseas within specialist business areas specific to wholesale, retail or investment banking, for example product managers, or individuals with specialised knowledge of global markets or foreign exchange trading. Many assignees were also used to fill support functions such as HR, technology or risk management.

The setting up of new infrastructure activity needed people to cross-co-ordinate in the early start up phase of operations:

‘... it is absolutely vital to our ability to re-engineer the platform for any of our businesses. It is the infrastructure side and not the producer side that has driven much of the growth in our expatriate population. To grow infrastructure at this rate... people... have to have this architectural know-how’.

Research on emerging markets needs to consider whether there is also an associated change in the business model.

For a pharmaceutical sector interviewee, the growth of operations in emerging markets, such as China, followed on from board-level decisions made about appropriate investments:

‘... We do not differentiate whether it is an emerging country or emerging market or not. We differentiate how we approach these countries in relation to our strategy [business model].

For example, in China we decided several years ago to build up a large materials science capability. This was a huge investment that required a lot of resources from different functions to be moved over there’.

A financial services interviewee noted that for them it was not just movement into emerging markets, but also the shift in business model that shifted the need for globalisation of the IM function:

‘... our whole expatriation and relocation business has fundamentally changed in the last few years... [as] the business model has changed markedly, whereby we started to put people on the ground in more challenging locations. Now 25% of expatriate assignments are in emerging markets’.

Another financial services organisation was now resourcing 60% of its international assignments into the Asia region.

The nature of mobility into emerging markets was also dependent on the attitudes towards corporate governance. For example, in a financial services organisation:

‘... the majority of our in-country CEOs are expatriates, as are many CFOs and Country General Managers’.

This was because in expanding the business and banking proposition, there is a need:

‘... to thread operations back together again. This works well in traditional markets but in emerging markets the tension between product and corporate logics is often acutely felt.’

This required high levels of strategic oversight and understanding how things fit together and what the consequences of this are for the local market:

‘... it is knowing how markets, products, services and business divisions have to defer to corporate drives and business development in the broader sense’.

A pharmaceutical sector interviewee explained their organisations’ shift in strategic workforce planning:

‘... In the context of emerging countries, one of our priorities this year is to form a strategic plan for Asia. It starts with strategic workforce planning. Where are the gaps, in terms of capabilities, that we need to buy or build? For example, in China there is a lack of leadership capability in managing multinational companies at the moment. We are taking a two-pronged attack. Get talented people in China and get Chinese people to countries where the business is in a more advanced stage. We are “In China for China”. The long-term aim is to see that the head for the China business is a Chinese national.’

The attractiveness of investing in an emerging market therefore varied across sectors. Emerging markets also served a different purpose. Large population markets might be seen as strategic opportunities to grow a customer base whilst smaller population markets might provide niche opportunities, or act as gateways to other economies. Others might offer long-term opportunities.

Considerable insight into the business model is therefore needed before patterns of globalisation, IM, costs, local factors and the associated role of the function are interpreted.

Flexibility strategy

IM functions also operated in very different strategic and economic contexts. Much of the IHRM research on expatriation is blind to this, and therefore potentially overly prescriptive. The findings show for example, in the one automobile manufacturer, it is the global engineering platform structure that creates the need for technical and engineering skill mobility and home–host combinations have to be resourced across 50 countries and to multiple sites within each country. In engineering and construction, international work covers the design of offshore oil

and gas platforms, pipelines, and automation and control systems at refineries, with 50% of international moves classed as overhead moves (costs cannot be set against client jobs or projects) and 50% classed as project-based moves on client sites (costs are recoverable). In high technology, moves are required to establish account management and technological infrastructure in key international locations, but a project work organisation enables team- or network-based resourcing decisions, i.e. skill may reside within an individual expert, or across several contributors to a network. Mobility is used to co-locate experts, but more remote ways of transferring knowledge or capability into a team are also possible. In retail, international work is driven by the need to manage business expansion, with two types of mobility: at lower job levels; and senior-level oversight roles.

Mobility roles in mature operations are used to transition business process and IT work back to regional service centres such as India. However, once learned, processes can be operated anywhere in the world. In professional services, at an early stage of globalisation, there is variation in process by member firm, office and countries. Organisations operating as a loose knit network, requiring idiosyncratic arrangements to resource movement member firm to firm, and deal to deal, but also a need to transition towards mobility for development and creation of strategic presence in emerging markets.

In IT Services mobility is needed for two economic purposes: revenue generating roles, such as consultants moving as technical experts to provide knowledge to a particular project or overseas operation, and non-revenue generating roles, such as functional support. Seventy percent of the staff moved internationally can therefore be new hires – recruited in one geography and sent straight to another market for specific technical roles. In telecommunications, significant IM is now required because of global shifts and re-location of operations, with the business model enabling whole business functions – such as marketing and procurement – to be relocated to rapid growth emerging markets.

Organisations operate a range of IM policies, closely aligned with the (different) business need for mobility and the need to differentiate benefits in line with the demographic needs of a particular employee segment. However, the flexibilities in place typically discriminate between a range of options, with each organisation evolving its own range of entitlements and treatments.

In Table 1, the three flexibility strategies found are explained by identifying the problem that the IM function faced and that the strategy was intended to solve, the characteristic style of decision-making used to establish the strategy, the specific managerial challenges this creates, and the resultant flexibility strategy. The detailed analysis of this table is described in the Discussion Section.

Strategic delivery model

This study also identified the internal HR contingencies on which these flexibility logics and path are based by examining the structural responses being made within these functions. Findings are presented for three sectors where there are a sufficient number of organisations to make useful comparison: financial services, high technology and pharmaceutical.

In the financial services sector, half of the organisations conformed broadly to a three-box HR operating model. In one, IM is part of a centre of excellence or expertise (COE) reporting into a people strategy and rewards function. The structure separates out operations, country roles and product experts. The central COE sets policy and strategy around IM through global policy, overseeing vendor relationships, owning IM processes. Practical operation of policies, practices and contracts, and the ongoing relationship with

Table 1. Context, decision making, issues and strategy associated with three phase flexibility.

	<i>Limited exceptions to a globally standardised policy</i>	<i>Customised flexibility based on a variety of set policy types</i>	<i>Individualised approach to flexibility</i>
Problem context	<ul style="list-style-type: none"> • Variable IM practice across the organisation caused by: • Historical custom and practice (ad hoc arrangements), or • High levels of decentralisation, or • Limited degree of internationalisation 	<ul style="list-style-type: none"> • Mandate needed to control and regulate problem of variable mobility practice within the organisation • Can no longer apply a one-size-fits-all policy 	<ul style="list-style-type: none"> • Individual needs – whilst idiosyncratic – recognised as a legitimate basis for a personalised assignment package
Style of decision making	<ul style="list-style-type: none"> • Individually negotiated agreements applied [inconsistently, or even unfairly] • Loudness of the assignees' voice, or assertiveness of the HR Business Partner (HRBP) 	<ul style="list-style-type: none"> • Flexibility limited to a set menu of policy options and negotiation of exceptions within the menu • Tight exception process still applied to ensure standard global practice 	<ul style="list-style-type: none"> • Some deals still negotiated between assignees and managers in uncontrolled way • IM function using central power to design flexible scheme with guidelines • Schemes offered to business (manager, HRBP) and individual • Designed for decentralised/local discussion. IM has more limited involvement
Managerial challenge	<ul style="list-style-type: none"> • No pressure or demand for centralised IM initiatives • No governance for any sophisticated approach to flexibility • Benefit provision driven by powerful regional/country considerations 	<ul style="list-style-type: none"> • Reduce uncontrolled variation by finding an ideal number of distinct policies • Create sufficient but limited level of policy variety • Each policy variant to provide or deny various benefits, and apply specific financial treatments to each benefit 	<ul style="list-style-type: none"> • Identify individual needs that can be used as basis for widely applied offer of flexibility to similarly positioned segments • Introduce range of 'managed flexibilities' into negotiation process • Previously standard policy variations offered on more flexible basis cognisant of personal/-family circumstances

(Continued)

Table 1 – continued

	<i>Limited exceptions to a globally standardised policy</i>	<i>Customised flexibility based on a variety of set policy types</i>	<i>Individualised approach to flexibility</i>
IM functional delivery strategy		<ul style="list-style-type: none">• Examine patterns in the exception process to suggest new implicit rules that should be applied to policy mix	<ul style="list-style-type: none">• Create framework to 'Negotiate-in' certain policy benefits, rather than having a philosophy based on assumption of universal entitlement
			<ul style="list-style-type: none">• Create market mechanism, e.g. provide cash value to specific benefits with opportunity to trade up, down or across without initiating exception process
	<ul style="list-style-type: none">• Introduce more control• Regulate practice by standardising policy• Manage flexibility through controlled application of rules that justify handful of exceptions	<ul style="list-style-type: none">• Policy standardisation, based on a strategy of centrally managed flexibility• Differentiate benefits by type of segments of employee (e.g. long-term assignees, short-term assignees, extended business travel, commuter assignments, etc.)• Treat each segment as internal markets with unique needs	<ul style="list-style-type: none">• Create framework to 'negotiate-in' certain policy benefits, rather than having a philosophy based on assumption of universal entitlement• Create market mechanism, e.g. provide cash value to specific benefits with opportunity to trade up, down or across without initiating exception process

assignees, is run through an IM operations team in a shared service centre in India, which executes moves, provides cost estimates and income statements. In-country HRBPs handle any resourcing and development gaps and agree with the business that assignments are appropriate. Another financial services organisation uses generalist HRBPs, but each business also has their own mobility specialists, seven of whom were responsible for a population of 600 expatriates. Two organisations use two central specialists supported by a shared service centre of 28 people handling 800 expatriates and 400 permanent transferees. Another organisation uses three regional service centres to process assignment propositions.

In the other half of financial service organisations, the IM function forms part of a rewards function, moving people around the world, and creatively managing the rewards and tax issues. In one organisation it forms part of a human capital function, sitting within a compensation and benefits structure.

The structural solutions used by the seven high-technology organisations appeared to be determined partly by a historical legacy. Seventy-one percent are still positioned in the reward or compensation and benefits area of the HR department, but most report a long-term intention to move the function toward talent management. In the older high-technology organisations the IM function was part of (variously) staffing, legal, tax or reward structures. In more recently established organisations a more business-oriented view saw the function becoming part of a strategic orientation to the management of global talent. In one high-technology organisation the function reports into the Vice President Human Resources for Compensation and Benefits. In another, decisions on the IM strategy, policy, taxation, immigration and relocation are made by a global mobility group, which is centralised in the home location and reports to the head of HR Operations. Another organisation sees IM units organised regionally with each regional centre managing all international aspects of relocation while reporting to a global mobility manager sitting in the HR function. Most of the actual work of relocating employees is outsourced, and the task of the regional centres becomes vendor management.

Out of the seven pharmaceutical organisations interviewed, three have the IM function reporting to a talent management function, whilst in the other four, the more traditional reporting relationship through a compensation and benefits function remains. Those that report to talent management have started to do so relatively recently. One organisation has adopted a centralised model and pulled its IM function out of a general HR function and placed it into a specialised international HR role. Another has adopted what they call a regional 'hub and spoke' model:

'... There is a regional hub in each region ... Through this organisation we get feedback on our IM operations such as areas of concern ... The hub connects the various spokes to constantly refine and fine-tune the IM process'.

Another has adopted a decentralised model:

'... We are going through a human resource transformation project and areas of service centres have been established in [Europe, the Far East, Latin America and North America]. We will transfer the administration of expatriates, development of offers, and the day-to-day contact with the expatriates. I will still maintain control over the development of policy and programmes. The whole system is being decentralised'.

Even within a single sector then, there were a multitude of structural solutions and differences in the strategic delivery model. This is a crucially important finding. The solution chosen either affords or denies the IM function entry into a range of HR issues now being linked to IM.

Discussion

By understanding the functional-level processes involved in the management of IM, we can better explain the globalisation process inside organisations.

Emerging market strategy

The first proposition argued that emerging market strategy would act as a destabilising environmental force in positioning of IM policy and practice. The study found that the strategy taken by the organisation towards emerging markets is a primary driver behind the need for greater flexibility in IM policy and practice. However, the extent to which it acts as a destabilising force depends on the strategic pressure it creates with regard to localisation, efficiency and business model change.

There are four reasons why IM functions are being required to develop more locally responsive policy in relation to emerging markets: the need for the organisation to capitalise on growing consumer market expenditure to balance declining markets elsewhere; the application of a rudimentary business model that could subsequently be developed into an established full-product or service model; the relocation of production or processing capabilities; or the development and exploitation of a new business model. This is what is meant by having a destabilising effect: less integration and more localisation.

However, the findings show that it is also the nature of the business model (Magretta 2002; Yip 2004; Schweizer 2005), and the specific task of the incoming assignees, that shapes the requisite changes in the management of the IM function and its policies, and not just the phenomenon of growth in emerging markets *per se*. The business model articulates what senior strategists consider to be the dominant *performance logic* inherent in their strategy (Sparrow et al. 2010).

Typically, four key elements may be interlocked in order to create and deliver value and performance (Johnson, Christensen and Kagermann 2008): competition based upon a new customer value proposition inherent in an organisation's offerings; supported by a profit formula (how the organisation creates value for itself by managing financial elements such as its revenue model, cost structure, margins and resource velocity); underwritten by needed resources (the assets such as people, technology, products, facilities, equipment and brand that are required to deliver the value proposition to the targeted customer); and enabled by operational and managerial processes that enhance this value proposition. The particular interlocking of these elements may be manipulated across geographical markets, creating unique IM needs.

This has implications for both the type of assignments, and the HR architecture. In relation to the first implication, Meyskens et al. (2009, p. 1443) point out that:

'... expatriates are generally used as position fillers, to develop both global managers and the organisation; to transfer technical and managerial skills; and to ensure parent, or headquarters control and coordination. Alternative assignees are often used for skill transfer, project-based work, problem solving, control purposes, and management development'.

In relation to the second implication, Kang, Morris and Snell (2007) point to the use of frameworks (called the *architecture*) in HR to establish portfolios of knowledge that have to be managed, allowing firms to differentiate how value is created through particular knowledge stocks, and how they might strategically position different employment groups across organisation boundaries.

They make a distinction between component (operational) knowledge and architectural knowledge (based on the work of Henderson and Clark 1990). Component knowledge refers to an understanding of the nuts and bolts of the operations of the business, often also

associated with specific products or functions. It is based on knowledge of the parts of the business rather than the whole. Component knowledge transfer has become more important in a business process outsourcing context. Architectural knowledge, on the other hand, requires a shared understanding of the new strategy and the interconnections between the business models and the operational (component) knowledge, i.e. how do things fit together. The proportion of assignments linked to these different types of capability could be seen to vary across sectors, and across firms within sectors, but their emerging market strategy (when linked with a shift in business model) increased the need to transfer significant architectural capabilities. One interviewee emphasises:

‘... a third of our expatriates are those having architectural knowledge and the other two thirds are assignees with component knowledge. We are moving manufacturing operations and a lot of finance and quality assurance people are going out. So we need assignees with both type of knowledge. One of the challenges for us, in the IM function, is to ensure that international assignees with architectural knowledge are able to train local people in these [complex] skills’.

Research needs to understand how such changes in the business model within emerging markets impact the type of capability to be transferred to market and the knowledge being created or transferred in-country through assignments.

Flexibility strategy

The second research proposition argued that pressure to align IM provision with the demands of both the receiving unit (traditionally seen as local responsiveness), but also now the (deemed to be talented) individuals, is creating the need for new forms of flexible management. Reflecting the observation that the individual is becoming a more important stakeholder in IM (Dickmann and Mills 2009; Howe-Walsh and Schyns 2010), Table 1 presents that the approach that IM functions take towards global integration of policy versus local responsiveness is in practice driven by different flexibility logics.

This study found a three-stage model of flexibility (see Table 1). This can best be thought about as being positioned along a continuum that ranges from: a globally integrated but standardised flexibility strategy based on limited exceptions policy; through to a customised flexibility strategy (akin to a ‘cafeteria benefits’ philosophy) that allowed for (centrally chosen) variation to match different employee segments based on a variety of set policy types; and finally towards a form of individualised flexibility, i.e. completely flexible to individual needs.

The first philosophy was found in relatively new IM functions. A sizable minority of organisations still operated at this level, but many were either currently transitioning or giving active consideration to stage two.

This middle position on the flexibility strategy continuum was attractive to organisations that, having established and moved to a situation of global integration based on a strategy of policy standardisation, considered their IM functional delivery strategy (and relational management skills with regard to the other actors in the IM delivery process) to be mature enough to enable a strategy of more locally responsive but still centrally managed flexibility. This position reflects the current status quo on the global integration-local responsiveness continuum for the majority of IM functions. The approach is based on a philosophy of customisation – the idea that there is an ideal number of distinct policies that creates a sufficient but essentially limited level of variety that should be offered within the IM system. The number of options deemed ‘sufficient’ has increased in recent years and it is not uncommon to find organisations offering policies tailored to four or five different populations.

Finally, on the right-hand side of the continuum, a third philosophy is based on the needs of individuals – needs that whilst idiosyncratic are recognised as a legitimate basis for a personalised assignment package and the basis for a more widely applied offer of flexibility to similarly positioned individuals. Some organisations, often, but not necessarily in the financial services sector, were in the early stages of a stage three model. Although this third type of programme flexibility is driven by a new set of dynamics – an individualised and idiosyncratic logic more reflective of the strategic importance of the talent in question – it was found to have very significant impacts for the sorts of governance arrangements that have to be put in place, and it required organisations to be clear about the ways in which it would differentiate benefits (which might be on the basis of hierarchy, geography, demographic segment and associated individual needs, or the type of transfer or assignment).

Strategic delivery models

The third research proposition was that there is a requirement to re-align the strategic delivery model adopted by MNCs (the split between transactional aspects of activity, role of in-business division HR partners with responsibility for specific aspects of the international assignment life cycle, and more added-value and specialist centres of excellence or functional support) in order to manage the consequences of both the emerging market and the flexibility strategy. The findings show that internal structures and HR delivery models are indeed evolving as part of a process of functional realignment to match IM with the emerging market and flexibility strategies.

The findings show that two factors are at play: the choice of strategic delivery model, and the structural relationship between the IM and talent management functions. Both become an important determinant of the speed and pace at which organisations can manage their path to globalisation (Farndale, Scullion, et al. 2010; see also Garavan 2012). Two previous findings are supported by this study: strategic delivery models need to enable the selection of suitable expatriate or alternative assignees according to the organisational objective or assignment driver (Scullion and Collings 2006); but despite the need for more strategic workforce planning, long-term succession plans cannot always deliver the right talent mix when needed because turbulence undermines the ability to forecast the talent/needs match (Cappelli 2008).

A more strategic role for the IM function was found to be dependent on a number of important contingencies: whether the in-country HR business partner can ‘see’ the bigger picture and the requisite capability needs of the operations they are attached to, i.e. whether they too have architectural knowledge; and whether IM policy has been adjusted so that assignments better build the social capital needed for assignment success, helping both the assignee and the receiving country to understand the networks that will provide the assignee with the connectivity to build architectural knowledge.

Some interviewees argued that the IM function is well placed to demonstrate its own architectural knowledge about the organisation: ‘...IM embodies the pre-[three box] model. There is no part of the business that we do not touch’. Therefore as organisations globalise their HR delivery models, an important question is whether the HR delivery model forces the IM function into too much of a transactional activity stance. This renewed importance of linking talent management, strategic workforce planning and IM issues together has significant implications for the IM function. It raises the question of whether IM (and associated expatriation activity) should become a centre of excellence in its own right, or should report via another such centre, such as talent management. From a practice perspective, the answer should be to report via talent management.

Economic topography, mobility demography and new regional logics

Although adopting a more strategic workforce planning capability will become more important for IM functions, this has to be counterbalanced by the ability to be fleet-of-foot and to reflect rapid shifts in mobility demography in the role, policy and structure of the IM function – i.e. to have the capability to move towards local responsiveness at very short notice. We need to better understand the link between regional logics and orientation (see Edwards et al. 2012) and the new patterns of mobility demography in managing the GI–LR balance.

Brookfield Global Relocation Services (2011) data show that 57% of international assignees are relocated to or from a headquarters country, the second-lowest percentage in the history of their report (it compares to a historical average of 61%). Forty-three percent were relocated to or from a non-headquarters country. Twenty-nine percent of transfers take place within a region. Harvey, Speier and Novicevic (2000b) have used the term ‘inpatriate’ to describe employees from MNC subsidiaries who are transferred to the HQ on a permanent or semi-permanent basis, and conceptual discussion has raised issues of acculturation and critical success factors for reverse assignments. Collings, McDonnell, Gunnigle and Lavelle (2010) have noted that there is still very little empirical evidence of the extent to which inpatriation is used, although their study found that a quarter of all Irish operations reported inpatriates.

This study affirmed that the shift in economic topography and mobility demography has increased the need for reverse assignments, and that these reverse flows needed strategic oversight, again as already indicated by the conceptual work of Harvey, Novicevic, Speier and Novicevic (2000a) and Tarique and Schuler (2010). For example, one organisation found that increased financial trade flows between China and Africa required the rapid creation of IM policy enhancements to facilitate the matched movement of managers in line with this new mobility demography. Another initiated 500 short-term knowledge transfer assignments to establish new operational centres in India (see Budhwar 2012 for a discussion of the unique position of Indian operations). Another organisation found that its Chinese business only became effective once they took Western expatriates out and put in people who could speak Chinese. They also used more assignees from other developing countries. They set up a new emerging-to-emerging market mobility flow, with 14 people from India placed on assignments working in nearby Asian countries. Another transitioned 180 people out of India to other locations around the world and then brought them back after training whilst another found that setting up an Indian operation triggered the need for numerous short-term assignments, and a business model based around people going from other regional offices to India to transfer knowledge, and people hired in India being sent to other offices in order to become acculturated to the organisation. Another organisation put in place a mobility flow that took local talent out to regional centres and to corporate universities designed to impart highly specialised knowledge. These moves reversed the flow between corporate HQs and regional hubs in Asia.

The shift in the demography of mobility is, then, an important factor reinforcing the need to alter the operational model used to deliver IM services. Therefore, when studies like this are conducted at the level of the function responsible for managing the phenomenon, not on the phenomena itself, two things become clear. First, it is not sensible to generalise too much from the expatriation literature, as the individuals involved, and their management is very light touch and transactional (the opposite is generally the case for expatriates), there are very limited additional financial incentives or implications, and the motivations are very functional and not developmental. Second, and more usefully, by studying globalisation at the functional

level, insight is gained into the sequence of change in management process needed to enable globalisation. In this study reverse moves were either used for the training of employees in new hubs, or for developmental reasons, whereby IM acted as a rewards mechanism, with high performers in emerging markets being provided with better opportunities by being put on short-term assignments, special projects or stretch assignments. In turn, this growth in reverse moves fuelled the need to create new regional structures. This study, then, suggests that the regional logic is not always *a priori* – sometimes mobility flows precede (and create) the need for new regional structures.

Limitations and future research

The study clearly has a number of limitations and suggests some important avenues for future research. It has shown that IHRM research needs to consider the role and importance of internal policy and strategy, and by examining the perceptions of IM Directors, indicates that important actors have considerable space for choice and negotiation around this (Chung, Bozkurt and Sparrow 2012). The focal point of study has been the strategy and adopted logics of those responsible for managing the IM function. However, it has been shown that there are multiple strategic actors involved beyond the IM Directors involved in this study. Given that HR policies are dependent upon ‘the perceptions of HRM professionals, line managers, top managers, and employees... [which differ] ... not only because of their position/perspective, but also because of different interests’ (Bosalie, Brewster and Paauwe 2009, p. 465), future research should study the views of regional and in-country businesses, HR Business Partners and contiguous corporate centres of expertise. As noted by Cascio (2012), there are considerable benefits in using multiple respondents.

Another useful development would be to incorporate analysis across different levels of analysis and interpret the three functional strategies in relation to different effects at the globalisation, regional, national and organisation level, as noted by Edwards and Rees (2006). The ability to make valid comment on country-of-origin effects in this study is limited as even in the countries more widely represented in this study, organisations come from a variety of sectors. Having explored two of the sectors (financial services and pharmaceuticals) in depth, at the level of analysis of the HR functions, it is the nature of international work inside the organisation closely tied into the business model changes taking place that most strongly determines functional strategy, but there are undoubtedly still some country-of-origin effects at play. Future research should examine within-sector functional strategies across a wider range of national ownership to understand these broader institutional influences. There is also an important regionalisation and localisation debate emerging inside MNCs and this balance/tension should be expected to influence all the functional delivery strategies.

Conclusions

This study has provided some important insights into three functional delivery strategies of IM in MNCs and shown their importance to the management of IHRM policy and practice as the function globalises. Each strategy in turn can be broken down into a range of contingent factors.

The strategy taken by the organisation towards emerging markets is both a primary driver behind the need for greater flexibility in IM policy and practice, but more importantly, it is also a destabilising force in the global integration and local responsiveness debate. Another important finding is that research on emerging markets needs to take cognisance of

whether there is also an associated change in the business model. Business model change, rather than the emerging market opportunity, was often the real driver of the IM requirement in terms of the sorts of capabilities needed to be built in an emerging market. Individual organisations were working to different business models and their IM strategies were influenced by these unique factors accordingly.

The approach that IM functions take towards global integration of policy versus local responsiveness is in practice driven by flexibility logics. These operate on a continuum that ranges from: a flexibility philosophy based on limited exceptions to a globally standardised policy; through to a customised flexibility philosophy based on a variety of set policy types; and finally towards a form of individualised flexibility.

Even within a single sector there were a multitude of structural solutions and differences in the HR delivery model. This structural solution chosen either affords or denies the IM function entry into a range of HR issues now being linked to IM. The management of mobility is now the joint responsibility of several actors. Research also needs to establish how IM functions are attempting to establish increased flexibility in mobility, and how these policies impact the relationship between the IM function and the various other organisational stakeholders in such mobility.

The research found four challenges faced by IM functions resulting from increasing activity in emerging markets: the need for strategic workforce planning; the rapid resourcing of new regional hubs; acculturating and transferring skills into emerging markets through reverse moves; and understanding the dynamics of new labour markets. The findings show that adopting a more strategic workforce planning capability is then likely to become more important for IM functions, but also that this has to be counterbalanced by the ability to reflect rapid shifts in mobility demography in the role, policy and structure of the IM function. As a result of these sorts of developments, global mobility frameworks are now being sited within the context of a broader market development and people management strategy. An important factor to examine is the extent to which IM functions become involved in the more strategic organisation development, and talent management, agenda.

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Appendix: Firms interviewed

Abbott
 Adidas Group
 American International Group
 Astra Zeneca
 AXA Group
 Bayer Group
 Deutsche Bank
 Deutsche Post
 Diageo
 eBay, Inc.
 General Motors Europe AG
 Google
 GlaxoSmithKline
 Goldman Sachs
 Grant Thornton International
 Hewlett Packard
 HSBC Group
 Johnson and Johnson
 Mars
 Merrill Lynch
 Microsoft
 Morgan Stanley
 Mustang Engineering L.P.
 Nokia Siemens Networks
 Novartis
 Novo Nordisk A/S
 Roche

SAP
Siemens AG
Societe Generale
Standard Chartered Bank
Tesco
Thomson Reuters
TNT
UBS A.G.
Vodafone